

REAUTHORIZATION OF TEMPORARY ASSISTANCE TO NEEDY FAMILIES

Mr. REED. Madam President, I rise to discuss the necessity to provide broader flexibility to States in their effort to reward work, lift people out of poverty, and benefit children. As we contemplate the reauthorization of the Temporary Assistance to Needy Families, TANF, program, we have to ask ourselves: On what basis do we want to judge the success of welfare reform?

Will we focus only on the reduction of case loads and increases in work participation, without regard to whether the wage levels raise families out of poverty and children are better off? Or, do we want to build a system that truly breaks the cycle of poverty and supports the long-term economic well-being of welfare recipients and results in a better future for children?

We need to move to the next generation of welfare reform. Our goal should be to reduce poverty, reward work, and ensure the well-being of children.

Much of the debate on welfare policy revolves around the issue of work, but how do we reward work? During the past two decades states have experimented with new approaches to cash welfare assistance for low-income families. These initiatives have included mandatory employment services, earnings supplements, and time limits on welfare receipt.

How do we know which strategies work best? A federally-funded evaluation of welfare-to-work experiments by Manpower Demonstration Research Corporation, MDRC, provides a wealth of information on the effect of these strategies on employment and income, as well as child well-being. This rigorous random-assignment research lays a strong foundation for legislative deliberations about the reauthorization of TANF.

Although most of these initiatives increased the employment rate among welfare recipients, programs that included only mandatory employment services usually left families no better off financially than they would have been without the programs.

The only programs that both increased work and made families financially better off were those that provided earnings supplements to low-wage workers. These programs also increased job retention and produced a range of positive effects for children, including better school performance and fewer behavioral and emotional problems for elementary school-age children. One income-raising program also significantly reduced domestic violence and family breakup.

Earnings supplements are easily provided to working recipients by allowing them to keep more of their benefits. For example, some States have not cut or eliminated a family's assistance on a dollar-for-dollar basis when the family enters employment.

However, under current law, States are restricted in how they can use their

TANF block grant funds to help working families, because any month in which Federal funds are used to provide "assistance" to a working family counts against the Federal time limit on assistance.

Some States, including my state of Rhode Island, Illinois, Delaware, Maryland, and Pennsylvania, operate programs using State money to help low-income working families. In Rhode Island, our Family Independence Program, FIP, provides a State earnings supplement as a work support and does not count it as "assistance" if a parent is working at least 30 hours per week.

Using this FIP wage supplement, families have funds to buy basic necessities.

Knowing that their income will not plummet after some artificial time limit is an incentive to find a job. Providing stable income helps parents stay attached to the workforce and rewards work.

For example, a mother with two children, who works 30 hours per week and earns the average starting wage of about \$7.80 per hour in Rhode Island, receives a supplemental FIP payment of \$132 per month. This brings her total income to about \$1,044 per month. Even with this supplement even with her work, that \$1,000 per month is still only 83 percent of the Federal poverty level.

With a supplement and with work these women are still not making income relative to the poverty level.

If Rhode Island did not use state dollars for the wage supplement, when a mother reached her 5-year time limit and the FIP payment stopped, she would lose 13 percent of her total income.

Using State funds offers broader flexibility for States to support families that meet work requirements and yet remain eligible for earnings supplements because of low wages. However, with State budgets being severely constrained, the ability to sustain this work support for low-income families is in jeopardy.

Further, as a State equity issue, all States should have the flexibility to use their Federal TANF funds to help low-income working families without restrictions—for the simple reason that it works.

Sadly, the income-enhancing effects of wage supplements and the positive effects on children are undermined by current restrictions on the use of TANF funds and definitions of what counts as "assistance."

Income gains disappear after families reach their time limits. The rigidity of the current system that counts wage subsidies as "assistance" conflicts with the success of supplemental cash payments, which rewards work.

If we want to reward work and help children, we must give States the flexibility and the option to provide continuing assistance to working families using Federal TANF dollars, ensuring that these supplements are not considered "assistance" under this program.

If the Senate were to permit TANF funds to be used in this flexible way, families would continue to be subject to all other Federal and State TANF requirements, including work and universal engagement requirements. But States would have flexibility in deciding whether to exercise the option and for how long to exercise this option. This provision has no cost; it would simply give States more flexibility in using existing Federal TANF funds to support low-income working families.

Earnings supplements have a proven record for boosting work and "making work pay." These programs reward those who do the right thing by getting jobs and it results in better outcomes for children.

I urge my colleagues to work with me during the upcoming debate on the welfare reauthorization bill to ensure the inclusion of this broader flexibility for States.

I again thank the Senator from Utah for his kindness and graciousness. I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

INTERNATIONAL CRIMINAL COURT

Mr. BENNETT. Madam President, 1 month ago today on July 1, 2002, the International Criminal Court was formally brought into existence. There has been objection to the International Criminal Court in America and, indeed, there has been a great deal of angst among our friends and allies around the world over the fact that President Bush removed America's signature from the treaty that created the International Criminal Court.

I have read some of the press around this controversy with great interest. I have been particularly struck by the fact that Chris Patton of the European Parliament, who is probably as good a friend as America has anywhere in Europe, has, in the American newspapers, expressed his great concern about our failure to endorse the International Criminal Court and to fully support it.

I cannot speak for the administration. I cannot speak for my colleagues in the Senate, but I can speak for myself, and I think Chris Patton and the others throughout the world who have expressed concern with our actions on this issue have the right to understand why some Americans are opposed to the International Criminal Court. I intend to lay out today the reasons why I, as one Senator, am opposed to the International Criminal Court in an effort to help our friends around the world understand some of the difficulties that many Americans have and to make it clear that my opposition to the International Criminal Court is not a knee-jerk response as some European newspapers may expect.

First, I should make it clear for those who may be listening or who might read the speech afterwards what the International Criminal Court is because I find that many of my constituents have no idea what it is. So very